



Department of Energy
Bonneville Power Administration
P.O. Box 61409
Vancouver, Washington 98666-1409

TRANSMISSION BUSINESS LINE

December 6, 2004

In reply refer to: TM/OPP-2

To: People Interested In Wind Facility Interconnection

The Bonneville Power Administration (BPA) is committed to supporting the development of renewable resources throughout the Pacific Northwest. Due to the recently enacted Production Tax Credit (PTC), BPA's Transmission Business Line (TBL) is experiencing an increase in activity related to wind facility integration requests. Wind facilities need to demonstrate commercial operation by Dec. 31, 2005 to take advantage of the PTC. Wind developers and TBL must work together to meet the following requirements and timelines for each wind facility seeking to interconnect to BPA's transmission system:

1. **TBL must complete an Interconnection Facilities Study by Dec. 31, 2004.**
TBL must be able to construct the facilities identified in the interconnection facility study in one construction season or less after execution of a Large Generation Interconnection Agreement.
2. **The customer must execute an Environmental Agreement by Dec. 31, 2004.**
BPA conducts an environmental review of the project and the interconnection facilities as required by the National Environmental Policy Act (NEPA).
3. **The customer must execute a Preliminary Design Agreement by Dec. 31, 2004.**
This agreement is for completion of studies, project coordination and advance design work necessary to meet milestones before completing the NEPA process.
4. **TBL requires that all environmental work, including NEPA review, be completed by March 1, 2005.**
BPA will assess the type of environmental review necessary and confirm whether we can complete the review by March 1, 2005.
5. **The customer must execute a Generation Interconnection Agreement by March 15, 2005.**
The Large Generation Interconnection Agreement defined by FERC in Order 2003-A includes both construction and interconnection.
6. **TBL or the customer, as appropriate, must complete land right acquisitions by March 30, 2005.**
TBL requires that all land rights be acquired prior to beginning construction.
7. **Projects must be constructed and scheduled for interconnection to the BPA transmission network by Sept. 30, 2005.**
This provides adequate time to complete required testing and for the customer to commission the turbines.

These requirements are applicable to generation interconnection requests only and do not affect transmission service requests which TBL manages separately.

TBL is working hard to complete studies and agreements currently in progress, but we cannot guarantee that we can complete studies and/or agreements by the milestone dates identified above. Close

coordination is necessary to ensure that engineering design, equipment purchase, land acquisition and construction can be complete by next fall. There is essentially no margin in the above requirements and timelines for slippage.

If you have any questions about the specific requirements or agreements referenced above, please contact Tony Rodrigues, TBL Account Executive at 360-619-6014. For questions about the status of your study, call Stephen Enyeart, Customer Service Engineer at 360-619-6059. Again, BPA is committed to facilitating the interconnection of wind projects and looks forward to answering any questions that you may have.

Sincerely,

/s/ Nancy Morgan, Dec. 6, 2004

Nancy Morgan
Transmission Marketing and Sales Manager